INTERNATIONAL TRADE CENTRE

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

GENERAL AGREEMENT ON TARIFFS AND TRADE

ITC/AG/1
20 May 1968

REVIEW OF CURRENT ACTIVITIES AND PROPOSALS FOR A WORK PROGRAMME FOR 1969[1]

INTRODUCTION

The International Trade Centre, initially created by the GATT in May 1964, is jointly operated by UNCTAD and GATT since 1 January 1968, in pursuance of decisions taken by the GENERAL ASSEMBLY of the United Nations and the CONTRACTING PARTIES to the GATT to integrate the resources and activities of both bodies in the field of export promotion. The Centre is associated with the United Nations Export Promotion Programme, which co-ordinates the activities of a number of bodies and agencies within the United Nations system that are concerned with the various facets of what may be described as "export development" in the developing countries.

The Trade Centre's competence is mainly in the field of sales promotion abroad, i.e., on the one hand, export marketing of products and, on the other, the supporting promotional services needed in both the public and private sectors for a concerted national effort to sell abroad. The Centre's aim, therefore, is to assist the developing countries in the promotion of their export trade by providing them with information on export markets and marketing and helping them both to develop their export promotion services and to train the personnel required for these services. This it does at present through the media of four main services - Market Information Service; Publications Programme; Trade Promotion Advisory Service and Training Programme.

During the last four years, the Centre's services have been utilised by most developing countries which would indicate that the services offered by it correspond to real needs. The demands made on the Centre, in fact, were always in excess of the capacity of its resources even when it operated under the aegis of the GATT and consequently its resources were progressively increased in response to these demands. The establishment of the joint UNCTAD/GATT Trade Centre has aroused expectations in developing countries of additional assistance from the Centre, as is already evidenced by the marked increase in the volume of requests received by it since the

---

[1] Since the forthcoming meeting of the Joint UNCTAD/GATT Advisory Group is the first of its kind, it is anticipated that a number of countries who had not participated in previous meetings of the GATT Advisory Group will be represented at this meeting. The present paper, therefore, refers inter alia to some salient aspects of the Trade Centre's development in the past [illegible] participants.

beginning of 1968. While it must be recognized that no international agency, however large its resources may be, can provide for all the national export promotion needs of all developing countries even within the special fields in which the Centre operates, a way has to be found of providing adequate and effective assistance in selected areas if the developing countries are not to be disappointed in what they expected when they supported the creation of the joint UNCTAD/GATT Centre.

In order to assist the Advisory Group to recommend a programme for the Centre, this paper sets out inter alia proposals for a work programme for 1969 formulated in the light of the demands made on the Centre by the developing countries, and of the Centre's past experience in meeting these demands. Since the level of resources needed in 1969 for the proposed services will have a bearing on the Advisory Group's consideration of the priorities, direction and emphasis to be given by the Centre to each of its services, the addendum to this paper gives an indication of the overall financial implications of the programme outlined in this paper. This year's meeting of the Advisory Group has a special significance in that it is the first occasion on which the future programme of the joint UNCTAD/GATT Centre will be considered and the deliberations of this meeting might well have implications for the Centre that go beyond 1969.

Development of the current work programme of the Centre

The evolution of the Centre's work programme has been characterized by a flexible, pragmatic approach to the demands for trade promotion assistance made by the developing countries. The developing countries that originally urged the establishment of an International Trade Centre to assist them in their export promotion efforts stressed mainly the need for information on market opportunities and techniques of marketing for their export products. This need was especially urgent in the case of countries that were endeavouring to export non-traditional products, primary, processed and manufactured. Since this was the main impetus for its establishment, the Centre concentrated during the initial years on building up its Market Information Service and its Publications Programme, both of which were geared to provide information on markets, marketing and promotional services. The Market Information Service has chiefly provided information in response to enquiries from individual developing countries while the Publications Programme has diffused information that is of general interest to many developing countries. This early phase of the Centre's development is reflected in the present structure of the Centre - about two thirds of the Centre's resources are devoted to the Market Information Service and the Publications Programme.

In later years, however, many developing countries have come to realise that, important as it may be to have access to up-to-date commercial information, the effective exploitation of market opportunities abroad requires certain basic national export promotion services, without which a concerted national export promotion effort is not possible. A number of countries have, therefore, requested assistance from the Centre to build up or reorganise their national services and in this connexion the need for training specialised personnel to man these services also grew.

These recent developments are seen in the reports of the annual meetings of the Centre's Advisory Group held in 1966 and 1967, wherein the programme recommended stresses the need for (a) the provision of technical assistance through a Trade Promotion Advisory Service to countries that need such assistance to build up their export promotion and marketing services and (b) the extension of the Centre's Training Programme. In connexion with the Trade Promotion Advisory Service, it is relevant to observe that the Advisory Group had in mind only relatively short advisory missions of around three-months' duration and the resources provided for this service were, therefore, very modest. Another factor that was not foreseen is that this Service would become mainly responsible for providing substantive support for technical assistance projects financed from United Nations Technical Assistance Programmes. In the case of the Training Programme too, provision was made only for a modest beginning, leaving future needs for further expansion to be met as demands from the developing countries increased.

An important aspect of the development of the Centre has been the building up of working relationships with the Centre's official National Liaison Agencies in both developed and developing countries. This collaboration has been of help to all the Centre's services - notably to the Market Information Service where the National Liaison Agencies have actively helped to collect and diffuse trade information for the benefit of developing countries. Through the official National Liaison Agencies the Centre has been able to establish fruitful contact with other national bodies in both public and private sectors (e.g. government bodies, Chambers of Commerce, trade associations, etc.).

Additionally, the good offices of the National Liaison Agencies in many countries have secured for the Centre unilateral contributions that have considerably strengthened the Centre's ability to serve the developing countries. These contributions have taken the form of financial grants, secondment of fully-paid professional staff to the Centre, secondment of Trade Promotion Advisors for missions to developing countries, provision of fully-paid lecturers for the Training Programme, and production of special handbooks on export markets and marketing. (See Annex)

In three Western European countries, the offices of the Centre's National Liaison Agencies service the Centre's work projects for developing countries on a full-time basis.

Another significant feature of the Centre's operation is its collaboration with other international agencies that have been active in the general field of export development. The Centre has been keenly responsive to the need for building up working relationships with these agencies, firstly, to avoid unnecessary overlapping and duplication of activities and, secondly, to render more effective assistance to the developing countries. The Centre has, in fact, operated joint projects with agencies such as the Food and Agriculture Organization, International Labour Organisation and Organisation for Economic Co-operation and Development. The arrangements for collaboration envisaged under the United Nations Export Promotion Programme are likely to lead to more projects jointly operated by the Centre with other bodies and agencies.

Against this background, the forthcoming meeting of the Advisory Group should:

(a) assess the value and adequacy of the four main services of the Centre in the context of the needs and demands of the developing countries;

(b) recommend any changes in the orientation or scope of these services;

(c) consider whether the Centre needs to provide any other services to the developing countries, that are not already included in the Centre's current work programme; and

(d) advise on priorities among and within the services provided by the Centre.

Outlined below is an account of the Centre's work programme in 1968 and suggestions for carrying forward this programme in 1969, in the light of the requests for the Centre's services made by the developing countries.

I. MARKET INFORMATION SERVICE

A. Current Programme

In undertaking market research projects at the request of developing countries, the Market Information Service has kept in mind the capacity of the requesting country itself to deal with the project, and has given priority to such projects as the requesting country cannot undertake with the facilities and expertise available to it. The Centre has also endeavoured to make the fullest possible use of the resources of the developing countries themselves in meeting some of their requests for assistance. Thus, to the extent possible, the Centre has used the commercial staff of developing countries in their missions abroad to collaborate with the Centre in the execution of market research projects requested by these countries. In yet other instances where the Centre was aware that the developing country concerned had access to financial assistance from foundations and other such agencies, the Centre suggested that part of the expenses of market surveys should be met from these sources.

In dealing with requests for large market research projects, the Centre has found on some occasions that, on probing into these requests, it turns out that what is really needed is not the conventional type of market study, but a plan for export marketing and sales promotion. Thus, instead of undertaking an extensive and expensive market survey, the needs of the enquiring country would be better served by providing a marketing consultant specialised in the particular product field for a period to work with the appropriate export and promotional organs of the country. At present the Centre does not have adequate resources to provide such assistance. It is suggested that the Advisory Group might consider the feasibility of financing short-term projects (projects of around three months duration the cost of which would be small) from the resources of the Centre, while in the case of projects of longer duration the country concerned would be advised to apply for UNDP financing. This is referred to later in the section on the Trade Promotion Advisory Service.

The Market Information Service provides trade and market data in response to enquiries from individual developing countries concerning products and markets of interest to them. However, due to the rising number of demands received (more than sixty requests for market surveys, each concerning a number of markets and several products, were received from one country alone during the first three months of 1968), and to the limited research staff and travel funds available, an order of priority had to be established in favour of requests presented by governments, governmental agencies, and trade associations. Requests presented by private firms have had to be referred back to their respective governments, even though the provision of answers to some of these private enquiries might have lead to more immediate trade transactions than the answering of government requests.

The marketing research work carried out by this Service is different from the research on trade matters carried out by most other international organizations. It aims at providing exporters in developing countries with marketing information and trade data that is of immediate and practical utility to them. The marketing surveys carried out, and trade information supplied, are concerned with the practical, detailed data (generally not available in published form) that should enable exporters in developing countries to initiate commercial contacts with traders or consumers in import markets, with enhanced chances of concluding business and starting export. This type of concrete marketing information, can in most cases be collected only through on-the-spot investigations and extensive interviews with traders, manufacturers, consumers and trade associations in the countries surveyed, and hence involves extensive travel, which often takes up as much as one third of the researcher's time.

The work of the Market Information Service can be grouped into four broad categories:

1. Major market surveys by industrial sectors

When enquiries made by developing countries as well as the Trade Centre's own research work and experience confirm that certain products are of wide interest for the present or potential export trade of a number of developing countries, the Market Information Service undertakes major marketing studies on these commodities. It will be recalled that the meeting of the Centre's Advisory Group in June 1967 commended the usefulness of such studies that could be widely diffused, and recommended, inter alia, that the accent be placed on studies of processed and manufactured goods of interest to a large number of developing countries.

On account of the inadequacy of resources, the Centre has been obliged to limit these major product surveys generally to Western European markets even though there has been interest in other markets such as Eastern Europe, North America, and Japan. In this connexion it is relevant to note that the 1967 Advisory Group also recommended that the Market Information Service should devote greater attention to the possibilities of promoting trade among developing countries belonging to different regions, leaving intra-regional marketing research to the United Nations Regional Economic Commissions.

During the year ended 30 April 1968, major market surveys have been published (in French, English and Spanish) on Cottonseed Oil, Tropical Sawnwood and Canned Meat. Three other surveys on Cassava, Cashew Nut, and Fresh Fruits and Vegetables (twenty items) are in printing.

2. Market surveys undertaken on requests made by developing countries

The Trade Centre receives a continuous stream of requests for medium-sized market reports to full-scale market surveys on a variety of products, primary, processed and manufactured, from official trade promotion agencies, government sponsored organisations, trade associations, and private firms. These requests relate to markets in both developing and developed countries. Requests from private firms are in nearly all cases referred back to the Centre's official liaison agencies in the respective countries - the exceptions are cases where the Centre has access to relevant, readily available market information.

These ad hoc market surveys carried out in response to requests aim at assessing market potential and market penetration methods in a specific area for a specific product. During the past year, thirty-five special studies have been provided to twenty-five developing countries. Twenty-five other such studies are in hand and are due to be completed at the end of 1968, of which three (on Mica, and Mica Manufactures, Tobacco, and Tobacco Products, and Leather, Hides and Skins) are to be published as major market surveys. About forty requests were turned down, primarily as the staff of the Market Information Service was unable to cope with the volume of work involved in answering them, but the selection of these was based on such considerations as their relatively low practical value to the enquiring country or the possibility of the enquiring country itself dealing with the research work involved. Some further thirty requests were not answered due to lack of precision with respect to the enquiry itself.

Included in this group are also special studies of market potential in selected markets for a broad range of products exported by an individual developing country on the eve of its launching a major export promotion drive. One such study of selected Asian and African markets has been undertaken at the request of a Latin American country with its participation and is due for completion in the autumn of 1968.

3. Information on particular aspects of marketing

Enquiries are received on particular aspects of the marketing of specific products, such as the selection of the most promising markets; the analysis of import trade channels; analysis of consumption patterns; how to make profitable use of by-products; information on transport questions, etc. The answers to such requests are relatively short and involve less research work than the market surveys referred to above. On an average the Centre has been providing answers to about fifty such requests per year.

4. Requests for short spot information

Many enquiries are received for spot information on matters not necessarily related to specific products. These enquiries are serviced quickly through the compilation of information already available in published form, or through correspondence with primary sources. No field research is involved in dealing with these enquiries. Requests for information in this category are for such items as names and addresses of importers; breakdown of import and export statistics that are difficult for developing countries to obtain from published sources; lists of trade fairs specializing in certain products; select bibliographies on a given subject; tariffs, import regulations and licensing procedures; import and wholesale prices, etc.

On an average eighty such requests are dealt with each year.

B. 1969 Programme

While it is not possible to quantify precisely the country requests that will be received in a future year, the programme of the Market Information Service for 1969 has been drawn up taking into account the type and level of assistance that, it is estimated, will be requested by the developing countries, and bearing in mind the Centre's past experience in dealing with these demands.

1. Major market surveys by industrial sectors

A number of major marketing surveys are proposed for publication in 1969. It is intended that these studies should go beyond Western European countries and cover the most promising markets of the world.

(a) Selected household appliances, in particular the following products: air conditioning equipment, electric fans, sewing machines.

(b) Games, sporting and travel goods, in particular the following products: indoor and outdoor games, fishing and hunting equipment, camping equipment, water sports equipment, travel goods.

(c) Spices.

In all cases field work in the selected markets will be necessary.

2. Market surveys undertaken on request

Twenty such requests already received in 1968 have been scheduled for completion in 1969. In addition, according to past experience, an average of two manageable (that is, clearly formulated) requests for specific market surveys are received each month. Many more requests are in fact received. A minimum of twenty-four additional requests may therefore be foreseen for 1969, bringing the total number of projects to a minimum of forty-four.

All these ad hoc market surveys will also involve field research in the markets selected for study, plus possibly also export potential research in the developing countries requesting the surveys.

3. Information on particular aspects of marketing

On the basis of past experience, a minimum of fifty new requests of this nature could be anticipated for 1969.

4. Requests for short spot information

Again on the basis of past experience, it is anticipated that about eighty such requests will need to be handled during 1969. These will not require any field work.

The following tabulated statement gives the details of the work load for less-developed countries anticipated for 1969.

MARKET INFORMATION SERVICE

Studies Requested by Developing Countries to be Completed in 1969

Products	Markets	Estimated man-months[1]			
		Professional	General service	Total	of which, on travel
A. Major sectorial market surveys of interest to several developing countries (the figure against each item indicates the number of developing countries for which the item is of export interest					
1. Selected household equipment (a) Air-conditioning equipment (8) (b) Electric fans (4) (c) Sewing machines (6)	Selected countries, in Europe, Africa, Middle and Far East, North America	6	5	11	6
2. Games, sporting and travel goods: - Indoor and outdoor games (7) - Fishing and hunting equipment (10) - Camping equipment (5) - Water sports equipment (5) - Travel goods (9)	Selected countries, in Europe, North America, North Africa, Middle East	8	3	11	4

[1] Concerns only market research officers. The secretarial staff is not included.

Products	Markets	Estimated man-months[1]			
		Profes-sional	General service	Total	of which, on travel
3. Spices (35)	Selected countries in Europe, Africa, Middle and Far East, North and Central America	6	5	11	6
B. Specific market surveys requested by individual countries					
1. Requests received in the first 4 months of 1968 and scheduled for answering in 1969					
1. Wooden furniture	Western Europe				
2. Ball pen inks	Western hemisphere				
3. Parquet flooring	Western Europe, North America				
4. Batteries	Eastern and Western Europe, Middle East, North Africa				
5. Carpets, rugs, hand-made	Western Europe, North America				
6. Biscuits	Western Europe, North America, Middle East				
7. Winches	Middle East				
8. Wood-processing equipment	Middle East, West and East Africa, South-East Asia				
9. Tropical fruits and vegetables, fresh	Western Europe, United States				

Products	Markets	Estimated man-months[1]			
		Profes-sional	General service	Total	of which, on travel
10. Tropical processed food, fruits (mango) and vegetables	Western Europe, United States				
11. Brass, copper, nickel strips and sheets	Eastern Europe				
12. Reclaimed rubber	North America, Middle East, South-East Asia				
13. Power plant equipment, water cooling towers	Middle East, Far East, including Japan				
14. Semi-finished copper products	Western Europe, North America, Middle East, Japan				
15. Selected heavy engineering products	To be identified				
16. Selected products manufactured in Ceylon	To be identified				
17. Selected products manufactured in Cyprus	To be identified				
18. Civil engineering equipment	Developing countries				
19. Selected chemical products	Developing countries				
20. Corrugated fibre boards	Western Europe				
Total - 20 requests		35	18	53	15

	Estimated man-months[1]			
	Profes-sional	General service	Total	of which, on travel
2. Foreseen additional requests for specific market surveys				
at an average rate of two per month				
Total - 24 requests	40	20	60	17
C. Information on particular market features				
80 new requests should be handled through the year	17	7	24	3
D. Quick-reply service				
About 80 quick replies should be handled through the year	9	5	14	
E. Special activities of the market information staff members				
- lectures and seminars for training courses	3		3	
- articles for the FORUM	2		2	

	Estimated man-months[1]			
	Profes-sional	General service	Total	of which, on travel
Summary				
A. Major sectorial market surveys	20	13	33	16
B. Specific market surveys on request of which	75	38	113	32
1. Already received (20 surveys)	35	18	53	15
2. Foreseen (24 surveys)	40	20	60	17
C. Information on particular market features	17	7	24	3
D. Quick-reply service	9	5	14	-
E. Special activities	5	-	5	-
A-E total man-months input needed	126	63	189	51
Equivalent to 12 officers of the professional category and 6 staff of the general service category				

5. Staff

If the needs of the developing countries are to be met on the basis of the programme outlined above, this will amount to 189 man-months of work during 1969, i.e. the equivalent of twelve officers of the professional category and six research assistants of the general service category. In addition secretarial staff will be required to cope with the processing of reports, and with the extensive exchange of correspondence needed to collect and distribute information in connexion with the major marketing surveys, the forty-four specific marketing surveys and some 110 trade information reports handled by researchers working in different languages.

At present the staff of the Market Information Service consists of:

(a) On Centre establishment: six Market Researchers (professional); four Research Assistants (general service); three secretarial staff (general service);

(b) On pre-paid secondment from developed countries: three Market Researchers (professional).

Assuming that the secondments from national agencies to the Market Information Service will remain at the existing level, and that certain governments of developing countries will make some of their officers available to the Centre for specific projects on an ad hoc basis, the number of new regular staff needed would be: three Market Researchers (professionals); two Research Assistants (general service); and three secretarial staff (general service).

Since one of the special characteristics of the work done by the Market Information Service is its provision of practical, commercial data (generally only available through extensive field interviewing) of immediate use to exporters in developing countries, an adequate travel budget is necessary to ensure the efficacy and usefulness of this Service. For the major marketing surveys by industrial sectors, travel requirements have been estimated at about 50 per cent of the total man-month input. For the ad hoc marketing surveys an average of three man-weeks travel per survey (possibly intercontinental) has been considered necessary. For information on particular aspects of markets provision for three man-months travel has been made. A total of 51 man-months travel has thus been foreseen for 1969.

The Documentation Unit, though primarily meant to service the needs of the Market Information Service, provides information material to all the services of the Centre. The expansion of work within each of the Centre's four main services has considerably increased the demands upon the Unit. The Documentation Unit needs to be strengthened both in terms of staff and equipment to process and index the large volume of documentation received by the Unit and to meet the demands made on it by the various services of the Centre.

At present the staff of this Unit consists of a Documentation Officer (professional) and two clerks (general service). It is proposed to strengthen the Unit by the addition of two clerks and one typist.

II. PUBLICATIONS PROGRAMME

Considerable research is being undertaken in the Trade Centre on subjects connected with export markets, export marketing methods, ancillary export services and governmental export promotion measures and methods. It is necessary that the results of the Centre's research should be diffused as rapidly as possible to all in the developing countries who can reasonably be expected to profit from them. It is the purpose of the Centre's Publications Programme to ensure the optimum distribution of facts, information and ideas that would be useful to the developing countries in their export promotion efforts.

A. Current Programme

1. FORUM and Supplement

The International Trade FORUM is a quarterly magazine with an intermediate quarterly Supplement, produced in separate English, French, and Spanish editions. It concentrated from the outset on creating an interest in exporting in the developing countries by making known export opportunities and by drawing attention to the means for exploiting them. Its initial circulation was largely to government departments concerned with trade, export promotion councils, banks, chambers of commerce, trade associations, manufacturing associations, universities, management training and productivity institutes, industrial and agricultural development corporations, and economic and trade journals in the developing and developed countries. From a circulation of 12,000 in 1964 it has grown to a circulation of 20,000 in 1968. Increased distribution concentrates on exporting firms, and ancillary organizations concerned with export, in the developing countries; and also to important trading units in the developed countries (importers, brokers and commission agents, chain stores, department stores, co-operatives) that are concerned with buying developing countries' products. To service its varied readership the FORUM publishes information on the following types of subjects:

(a) Export promotion techniques, measures and services at the government level.

(b) Export marketing methods at the trade level.

(c) Ancillary export organs and services.

(d) Descriptions of countries or areas as markets for developing countries.

(e) Summaries of product market surveys.

(f) Product promotion.

(g) Review of changes in commercial policy measures.

(h) Export promotion training opportunities.

(i) Bibliographies and book reviews.

2. Trade promotion handbooks

The Centre's programme of trade promotion handbooks aims at achieving two ends: (a) making known sources of trade information; and (b) elucidating trade promotion techniques. In the preparation of these handbooks the Centre draws on the knowledge and experience of public and private sector organizations concerned with trade in both developed and developing countries. Provisional drafts of these handbooks are checked with such organizations and the final versions take into account the comments received from them. Thus, it is ensured that the handbooks are factually correct and properly oriented to the needs of developing countries.

During the year ended 30 April 1968 the following handbooks were published:

- Foreign Trade Enterprises in Yugoslavia

- The Compilation of Basic Information on Export Markets - A Guide for Developing Countries

Ready in provisional draft form are:

- The Organization of Trade Missions by Developing Countries (in English)

- The Rôle of the Freight Forwarder in Developing Countries (in English)

- A Handbook for Developing Countries' Official Commercial Representatives Abroad (in French)

- Foreign Trade Enterprises in Eastern European Countries

Pamphlets on the following subjects will be ready for circulation before the end of 1968:

- Joint International Councils for Product Promotion

- Joint National Export Marketing Schemes

- Bulk Purchasing Organizations

- Export Promotion Training Facilities, Public and Private

In addition, a number of training manuals are being prepared. The 1967 lectures in export marketing given at the St. Gall Graduate School of Economics and Business Administration, sponsored by the Trade Centre and the Hammarskjöld Foundation, which is paying the cost, are being edited for publication; and the Centre is preparing its own export promotion and marketing training manual.

B. 1969 Programme

1. FORUM

There is a steadily increasing flow of requests for the FORUM and its Supplements from, for example, producing and trading enterprises in the developing countries, and important buying organizations in the developed countries. The present distribution of the FORUM, 20,000, is small when it is considered that the Fund and Bank Review - Finance and Development (the journal of the International Monetary Fund and the World Bank, destined for finance and development specialists) has a free distribution of 85,000. While a readership of 100,000 might be a desirable long-term target, a distribution of 30,000 should be aimed at for 1969.

2. Trade promotion handbooks

In accordance with expressed needs of developing country trade promotion and marketing bodies, it is proposed to publish twelve handbooks on trade promotion and trade promotion techniques or sources of trade information during 1969; of these, nine would be on new subjects and three would be revisions of existing pamphlets. The already published pamphlets that should now be revised to retain their usefulness are:

- Select Bibliography for Export Promotion Services in Developing Countries

- The Directory of Manufacturing and Trading Associations

- Bibliography of Market Surveys

In accordance with guidelines laid down at successive meetings of the Advisory Group and in response to specific requests from a number of developing countries, some preliminary work has already been started on a number of new subjects:

- Government Export Promotion Services (functional analysis)

- Governmental Export Publicity

- Trade Fairs and Exhibitions

- Private Sector Export Promotion Methods

- Packing and Packaging for Export

- Product Design, Standardization, Grading and Quality Control

- Sources of Information on Tariff and Non-Tariff Barriers

3. Staff

The present staff of the Publications Programme consists of five professional (three editorial and two production); and two clerks. Additionally four professional (editorial) staff are on pre-paid secondment from developed countries.

Assuming that the number of officers on secondment from the developed countries will remain the same in 1969 as in 1968, additional staff will be needed for the work envisaged above.

(a) Compilation and editing of trade promotion handbooks

No permanent staff are available for working on sources of trade information and bibliographies. Requests have been received for three of the Centre's handbooks in this field to be revised and republished (see 2 above), and others are in preparation. In addition, special trade bibliographies are required for inclusion in the trade promotion techniques' handbooks, for publication in the FORUM, and for transmission to developing countries in answer to specific requests. Handling this work adequately needs the full-time services of one bibliographer (general service).

(b) Publications production

The production staff of the Publications Programme has always been weak on the Spanish language side and this deficiency has been met in the current year by resort to temporary assistance funds for the employment of Spanish editors. It is essential that a post of Assistant Editor in Spanish be provided in 1969.

(c) Publications distribution

Ensuring rational distribution of the Centre's publications has now become a complex task. To be useful, the 20,000 address list of FORUM readers has to be constantly revised and added to at a rate of 5,000-10,000 addresses a year. In addition there is a continual stream of requests for the Centre's publications. Provision has to be made for a post of distribution clerk (general service).

(d) Secretarial staff

The Publications Programme is now dependent on typing pools for typing correspondence and manuscripts. This is not a satisfactory situation, since work is often held up through production bottlenecks in the organisations providing the Centre with supporting services. This needs to be remedied by the provision for this service of one secretary and a copy typist (both general service).

III. TRAINING PROGRAMME

A. Current Programme

The Training Programmes provided by the Centre up to 1967 had been almost exclusively based on co-operation with developed country governments, export councils and foundations. The Centre resorted to these arrangements because of the inadequacy of its resources for organising courses or other training programmes.

1967 was the first year in which the Centre was able to provide its own specialized Centre-based training course. This was made possible by a grant from the Swedish Dag Hammarskjöld Foundation. Programmed in the light of the needs of developing country middle management, this comprehensive course for English-speaking African nationals comprised six weeks university training at a Swiss business graduate school; a month of experience in export councils and private exporting firms in Europe; and a two-week period on individual market research at the Trade Centre in Geneva, under the guidance of Centre Marketing Analysts.

The Centre's Advisory Group in 1967 recommended inter alia that every effort should be made to continue this Centre-based course after 1967, bearing in mind that such a course fills a specific need not covered by courses run in collaboration with national agencies in developed countries. The Advisory Group also stressed the usefulness of short export promotion seminars and recommended that these be developed to the extent possible.

In accordance with these recommendations and in the light of the demands made by the developing countries, the Centre has developed a training programme in 1968 that provides opportunities for the placement of nearly 300 trainees from developing countries in a wide variety of courses, seminars, fellowships and study tours. The following is a summary of the programme.

It should be noted that the Trade Centre under the new arrangements will advise on the selection and placement of fellows in the field of export promotion under United Nations Technical Assistance programmes.

(a) Seven Centre-based and/or Centre-programmed formal courses

1 One three months' course for twenty African trade officials and private exporters, financed by a grant from the Swedish Dag Hammarskjöld Foundation: Centre/Swiss university syllabus, lectures and "stage" programming.

2-3 Fifty per cent Centre-staffed, three months' courses in co-operation with the ILO International Centre for Advanced Vocational and Technical Training, Turin, each also providing a three-week European export orientation tour: one of the courses is for twenty-four marketing executives and trade officials of various developing countries; the other for twenty-five trade officials of one individual country: both are 50 per cent Centre syllabus and total stage programming, plus a Centre market research project as part of Course No. 2 (both started).

4-5 Two Centre-staffed three-week courses for twenty-two European-based developing country trade representatives, with Europe-based Commonwealth Trade Commissioners assisting as instructors - operated by Centre (one completed).

6-7 Two three-week Centre-staffed courses within the GATT Commercial Policy Courses for trade policy officials - operated by Centre (one completed).

- Also tentatively programmed is one Centre-programmed and Centre-staffed six-weeks' course and trade tour in Europe for twenty Central American trade officials and exporters (may be delayed until 1969 if extra-budgetary funds are not available in 1968).

(b) Five co-operative courses with governments of developed countries in several European, one Asian and the two Australasian countries, of one and a half to eight months' duration.

(c) Twenty individual fellowships awarded through the Centre by developed country governments, of from three to twelve months' duration.

(d) Four export promotion seminars for European-based Commercial Counsellors, in co-operation with European governments and governmental technical assistance organizations of from one to two weeks, with Centre programming and partial Centre-staffing.

(e) One trade study tour of two months for middle-grade Latin American trade officials in co-operation with the OAS and European countries, and with a final period at the Centre (completed).

(f) Ad hoc training services:

- orientation sessions at the Centre for less-developed country trainees from European national export courses

- in-service training at the Centre for specialists from developing countries

- preparation of export training manual and training aids by Centre staff.

Developing country demand for training in export promotion and marketing is progressively increasing, as indicated by the steadily rising numbers of applications received by the Trade Centre. The courses that have taken place so far in 1968 have been substantially overnominated; e.g. for the Geneva-based intensive course for Trade Commissioners, some twelve to fifteen places were scheduled, but eventually twenty-two Trade Commissioners and Commercial Attachés participated, and a repeat of the course has been requested. For the first joint Trade Centre/ILO International Centre course designed for twenty-four participants, some forty applications were received.

In formulating a programme for 1969, the increasing number of demands must be borne in mind as well as the type of persons for whom training is requested. In dealing with the current 1968 programme, the Centre has been conscious of the need to draw up curricula for training courses and seminars which would be specially suitable for groups of trainees with homogeneous backgrounds and interests. Broadly speaking, on the basis of past demands, training courses and seminars need to be directed to three types of export promotion personnel:

(a) Persons at the policy and decision-making levels who influence the development of national export promotion policies, programmes and services. In some developing countries this group consists entirely of government officials, while in others it includes central banks, para-statal organizations, government-sponsored institutions, and private sector trade associations.

(b) Middle-grade government officials, government representatives stationed abroad, such as trade commissioners, commercial attachés and executives of official and semi-official trade promotion organizations, for example, industry export councils.

(c) Export executives in private trading companies and State-trading organizations.

The major part of the current training programme of the Centre has been directed to category (b). If the Centre's Training Programme is to be made more effective, it needs to arrange facilities for categories (a) and (c) as well. The proposal for the 1969 programme take this into account.

B. 1969 Programme

In programming the additional needs for training in 1969, the Centre has assumed that agencies in developed countries will continue their past generous level of training collaboration with the Centre along the same lines as in earlier years.

It is proposed that where practicable Centre-operated courses should be based in or near Geneva as this would allow full utilization to be made of the staff of the Centre, as well as of UNCTAD and GATT staff, and facilitate calling upon Swiss business and commercial educational experts as guest lecturers. This would considerably reduce the cost of operating the courses. The Centre's functions with respect to these courses would comprise: development of the course programme and syllabus, preparation of course material, selection, recruitment and administration of lecturers and course participants, financing of costs of conducting courses and costs of trainee fellowships. These functions will be carried out in close co-operation with the secretariats of UNCTAD and GATT, as well as with FAO, ILO, UNIDO and other agencies as appropriate.

The following proposals are made for the consideration of the Advisory Group in regard to Centre-operated courses for 1969:

(i) Two three-month courses, on the pattern of the Centre/Dag Hammarskjöld Foundation Courses (twenty-four persons in each course) - one of these to be specifically directed to middle-grade officials of government and semi-government trade promotion agencies and the other to export executives from trading organizations.

(ii) Two three-week seminars for twenty persons each at the policy and decision-making levels in national institutions. The intention is to provide for two homogeneous language groups in any one year.

(iii) Six courses per year of up to three weeks each for twenty trade representatives of developing countries stationed in Europe (trade commissioners, commercial attachés, other state and para-statal and commodity council trade officials).

Staff

The present staff of the Training Programme is already less than adequate to service the current year's programme of 300 export promotion vacancies. It consists of one training officer; the part-time services of a temporary professional officer for all the administrative work of course announcements, recruitment, candidate processing, etc.; plus one clerk-typist. To handle satisfactorily the 1969 Training Programme of possibly 400 vacancies, the addition of one training officer (professional) and one administrative officer (professional) and one bilingual secretary is required.

IV. TRADE PROMOTION ADVISORY SERVICE

A. Current programme

The Trade Promotion Advisory Service provides on-the-spot counselling on the establishing of export promotion programmes and services in response to requests for assistance from developing countries. Although the provision of a service of this kind was implicit in the overall concept of trade promotion assistance from the inception of the Centre, it was not until the third meeting of the Centre's Advisory Group in March 1966 that the scope of the work to be done by the Trade Promotion Advisory Service was defined precisely. The Advisory Group recommended that this Service should provide:

- "assistance in the establishment or improvement of export promotion services at the government level; and

- assistance in the solving of marketing problems at the trade level".

It was considered that unless the developing countries were helped to adapt their national services to the needs of present-day trade promotion, the information and training activities of the Centre would be of limited value, as there would be no organizational infra-structure to make effective use of them.

During the past year four technical assistance projects undertaken by the Centre were completed:

(a) Uganda - Recommendations concerning the establishment of a Marketing Board for agricultural products.

(b) Algeria - Recommendations concerning the promotion of Algerian exports with special reference to the setting up of a Marketing Board for certain agricultural products.

(c) Tanzania - Preliminary study to define Tanzania's technical assistance requirements in the field of export promotion with special reference to the establishment of an Export Promotion Bureau.

(d) Peru - Advice on the creation of a central national export promotion agency.

The Centre's present operational programme, in course and/or in actual preparation, financed from Centre and/or collaborating resources, comprises the seven following missions:

Afghanistan

A request has been made for a Trade Promotion Advisor to advise on organizational needs in the field of export promotion.

Chad

A mission is now investigating the possibilities of improving Chad's marketing arrangements for the export of raw cotton with a view to recommending measures for the consideration of the Government of Chad. This mission might possibly be followed by other experts in special aspects of cotton marketing in accordance with the recommendations made.

Colombia

An expert has been provided to advise on effecting improvements in the packaging of a range of products for export.

India

An expert in textile marketing has been provided to assist in carrying out a market survey on textiles and made-up garments.

Indonesia

A request has been made for a specialist in the organization of trade statistics and for an expert in rubber marketing.

Malaysia

The assistance of a senior Trade Promotion Advisor is required for a period of one to two years to assist in the establishment of a Government export promotion service.

Tanzania

Follow-up action on the recommendations of the fact-finding mission completed in 1967 involves: (a) the provision of a Trade Promotion Advisor for one year to help in the establishment of an Export Promotion Bureau, and (b) the provision of a professor in export marketing and promotion to organise a specialized course at university level.

In addition the TPAS provides substantive support for the following missions financed from United Nations Technical Assistance Programmes.[1]

Algeria

An expert is being recruited for six months to study the present trade pattern, to examine its deficiencies and to suggest ways of improving the trade structure of the country.

Argentina

Five experts will be provided over the 1968/69 biennium to deal with the export promotion of manufactured goods. The project covers the fields of machine tools, agricultural machinery, leather and leather goods, home appliances and petrochemicals (in co-operation with UNIDO).

Central American Integration Programme

A regional adviser on foreign trade promotion is assigned to the Permanent Secretariat of the General Treaty on Central American Economic Integration until the end of 1968.

Chile

An expert served for three months in 1967 to analyze the international demand for copper. Two experts will return for one month in 1968 to undertake a study on copper prices.

Colombia

An expert has been requested to deal with matters of administration in international trade, in particular the expansion and promotion of exports.

Congo (Brazzaville)

An expert has been requested for two months in 1968 to rationalize the structure and functioning of the national trade bureau.

---

[1] Some of these projects also include provision for fellowships.

Cyprus

An expert is under recruitment to advise the Government for a period of six months on measures to promote exports of certain manufactured products.

Honduras

An expert is advising the Government until the end of 1968 on export promotion and the formulation of measures to promote the export of new products.

India

The Indian Institute of Foreign Trade has requested the services of four experts from developed countries to assist in the implementation of its various programmes and activities. An expert has been recruited to advise for six months on the development of case studies on foreign trade and another was requested in connexion with trade and distribution research. Two additional experts, each on a twelve-month basis, are to assist in pricing and costing policies and overseas selling.

Indonesia

An expert has been recruited on a twelve-month assignment to advise the Government on export promotion.

Iran

An expert is assisting the Government of Iran with the organization of the second Asian Trade Fair to be held in Iran in the spring of 1969.

Laos

An expert is advising the Government on export possibilities for existing or potential primary products and the conditions under which exports could be made.

Malta

An adviser on market research, with particular emphasis on exports, has just completed an eighteen-month assignment. An expert on credit insurance is at present in Malta on a three-month assignment.

Mauritania

An expert has been assigned to the Government for a period of two years to assist on foreign trade questions.

Mauritius

An expert in international marketing is requested for one year to study means of increasing the growth and development of local export-oriented industries, with a view to seeking increased access to international markets.

Mexico

An expert has been recruited for one year to assist the National Centre for Information on Foreign Trade of the Banco Nacional de Comercio Exterior.

Nigeria

A market research economist has been requested for six months in 1968, to serve in the western region of Nigeria.

Paraguay

An expert in export promotion was recruited for a period of one year to advise the Ministry of Industry and Commerce and the Technical Secretariat for Planning. It is intended to extend this post for a further year.

Philippines

An adviser on domestic and foreign trade has been recruited to assist the Department of Commerce and Industry for twelve months with market research, a survey of domestic trade and a study of the marketing system for products with export potential, and conduct seminars for officials of the Department who are concerned with trade and marketing. This project is a continuation of an earlier assignment undertaken by an expert in trade promotion.

Saudi Arabia

An expert is advising the Government on the marketing of oil, minerals and petrochemicals until the end of 1968.

Uruguay

An expert has just completed a twelve-month assignment to advise and co-operate with the Board for the Co-ordinated Promotion of Non-Traditional Exports (Ministry of Finance) in formulating a programme for the Board's activities, and to instruct the Board's national staff in export promotion and assist in establishing the Board as a National Centre for Export Promotion.

Zambia

The Government has requested an extension through 1968 of the contract of the expert who is advising them on the marketing of Zambian copper.

Working Methods of TPAS

The working methods of the TPAS are as follows:

1. Fact-finding missions

Fact-finding missions are organized to define in precise terms the various requests received by the Advisory Service from individual countries. The Trade Promotion Advisors on the staff of the TPAS can themselves undertake such missions. They can additionally be carried out by senior officers seconded from developed countries' export promotion bureaux.

2. Briefing of experts

The success of missions depends to a great extent on the prior briefing of the consultants and experts involved. Inter alia, the briefing calls for the prior preparation in the TPAS of a background document outlining the export objectives and problems of the requesting country in relation to its overall economic situation; a review of its existing trade promotion institutions; and the conclusions of any previous missions in related fields.

3. Organization of missions

The three Trade Promotion Advisors based in the Trade Centre have the following responsibilities:

(a) To locate and recruit suitable experts in all fields of export promotion, special as well as general (i.e. organizational).

(b) To carry out fact-finding missions in the developing countries requesting assistance.

(c) To organize and supervise the briefing and de-briefing of external experts sent on missions; and to organize, direct and co-ordinate their missions.

(d) To maintain correspondence with the Centre's official liaison representatives in the various government offices requesting action by the Centre in their promotion programmes, and with agencies of the United Nations co-operating in the context of the United Nations Export Promotion Programme, especially the United Nations Economic Commissions in the regions involved. These functions relate to projects financed both from the Trade Centre's budget and from United Nations Technical Assistance programmes.

4. General

The Trade Promotion Advisors also contribute to other Centre activities by: co-operating in the preparation of programmes for the training courses and seminars organized by the Centre and participating in them; and providing material for pamphlets on specific aspects of export promotion and marketing from reports of missions.

B. 1969 Programme

Approximately twenty-five operational and/or fact-finding missions including experts in product promotion and marketing referred to earlier under the Market Information Service, each of three-months duration, are planned for 1969. Close attention will be paid to following up the recommendations of these missions and relating their work to the other activities of the Centre, especially market research. At the meeting of the Centre's Advisory Group in June 1967, it was decided that, in the interest of the developing countries, the Centre should supply "package" assistance. Consultants' missions would therefore be followed up, where necessary, by one or more specialists who can help the country concerned in the implementation of the consultants' recommendations. In most cases a study of the country's export potential will be necessary. In addition priority in the Centre's Training Programme will be given to the nationals of countries to which the Centre has already sent advisory missions.

The numerous functions incumbent on the Trade Promotion Advisory Service in carrying out the "package deal" will thus call for detailed preparation of the work of the various experts and advisors it despatches.

Staff

Because of the small size of the Centre's own TPAS staff - three officers and one general service - and also because of the great variety of fields of expertise required on such missions, experts will have to be sought mainly outside the personnel of the Centre. Within the Centre itself, to ensure that each mission receives adequate briefing and support, it is proposed to recruit one Research Economist (P.2/3) to assist the Centre's Trade Promotion Advisors in the preparation of basic material for missions.

Two further bilingual secretaries will also be necessary.

V. A NEW SERVICE - PRODUCT PROMOTION SERVICE

A. Rationale

The idea of a Product Promotion Service was mooted as far back as the Advisory Group meeting of March 1965, the report of which contained the following declaration:

> "The Group recommended that the Centre should explore the possibility of active trade promotional measures to be jointly operated by countries which had a substantial export interest in a product. It was felt that areas of possible co-operation would reveal themselves during the course of the Centre's work. Further studies by the Centre could then lead to suggesting to a group of countries that they come together to consider the feasibility of joint promotional action in specific fields."

The idea was taken up again in the Advisory Group meeting of June 1967, when the following recommendation was made:

> "The Group recommended that the Centre concern itself with product promotion councils and examine ways in which it might assist existing councils or stimulate the creation of new ones."

Product promotion councils, whether organized on a national or international basis, are essentially an outgrowth of the tremendous expansion in recent decades of the understanding and application of marketing, publicity and promotional techniques. These techniques were applied initially to manufactured products; but eventually there was something of a riposte from the producers of primary products, whose markets were being cut into by the development of synthetics. The classic cases of international primary product promotion organizations are the International Wool Secretariat and the International Institute for Cotton.

It is evident from various studies done by the Centre, that there is a need for joint promotional organizations, both national and international, for certain products exported by a number of developing countries. In view of the recommendations of successive Advisory Groups, the Centre should be capable of following up these studies by helping developing countries to take the necessary initiatives towards the establishment of joint promotional bodies. This work would be carried out in close co-operation with international organizations already active in related fields, especially the FAO.

B. Current programme

Though, at present, the Centre does not offer a specialized service in this field, its current activities include some work in the field of joint promotional measures. For example:

(i) Some of the Centre's product market studies have drawn attention to the need for joint promotion bodies.

(ii) Articles have been published in the FORUM about the work of some of the major international and national primary product promotion schemes, e.g. those for wool, cotton, jute and rubber.

(iii) In addition, the Centre is now undertaking studies (which will result inter alia in two published pamphlets) on how such national and international schemes have operated in the past, and how they can be developed in the future.

Timber and timber products, shrimps, and jute and jute products, have been identified as areas where international collaboration in product promotion might yield substantial benefits; but these are tentative and preliminary findings.

C. 1969 Programme

In addition to the studies that are already being done in this field, it is proposed that the Centre should take the appropriate follow-up action which will involve, inter alia:

1. Selecting the most promising products, and exploring with appropriate bodies (official and private sector organizations) how a joint promotion programme might best be realized, drawing on the experience of bodies already doing this work for other products.

2. Draw up appropriate terms of reference for new promotion organisations, together with proposals for their organizational structures.

3. Assist in bringing together countries with a view to create these new bodies or strengthen existing ones.

Staff

One professional officer and one bilingual secretary would be necessary for the Service in 1969.

The function of the professional officer in charge of the Service would be mainly to draw upon the research being done in the product promotion field in the Centre and in the UNCTAD and GATT Secretariats as well as in other agencies of the UN Export Promotion Programme, and to take action as described above. It is envisaged that comprehensive studies needed for the detailed formulation of projects will have to be carried out with UNDP financing secured through established procedures.

VI. GENERAL

Direction and supervision of the Centre

The Centre's services have expanded considerably during the last two years and, as pointed out in this paper, they will need to be further strengthened in the coming year if a reasonable part of the demands made by the developing countries on the Centre is to be met. The day-to-day problems of administration and supervision and of co-ordination between the four main services of the Centre have become so acute that the Centre was obliged to recruit a professional officer on a temporary basis in 1967 to assist in its management.

In order that the management of the Centre may be strengthened and the efficiency of its operations maintained, having regard particularly to the need to ensure the best use of staff and other resources, it is necessary to appoint a senior executive officer (P.4), assisted by a programme and reports officer (P.2), who, under the direction of the Director and Deputy Director, would be responsible for: (a) ensuring effective co-ordination between the various services of the Centre and helping the Director and Deputy Director in keeping under review the progress of work, (b) preparing documentation connected with meetings of the Centre's Advisory Group and other meetings relating to policy and budgetary matters of concern to the Centre, and (c) performing other administrative and general duties involved in the day-to-day running of the Centre.

In addition these officers will help the Director and the Deputy Director to maintain effective liaison with the two secretariats now that the Centre is under joint UNCTAD-GATT supervision.

Registry

The establishment of the joint Centre had necessitated the organization of a separate Registry for the Centre. A Registry Clerk (general service) is needed for this new Registry.

In conclusion it must be pointed out that though the total programme outlined in this paper represents a substantial increase in the Centre's activities above the 1968 level, the additional direct resources needed through budgetary contributions are relatively modest. The Addendum to this paper endeavours to separate the elements of the programme for which resources need to be provided through the regular budget of the Centre, from other operational activities which could be financed either from the regular budget or from extra-budgetary sources, e.g. United Nations Technical Assistance programmes or unilateral contributions from countries. Most of the expenses in the operation of the Training Programme and the Trade Promotion Advisory Service, as well as of the proposed new Product Promotion Service, will come under the latter category.

A word of explanation is also necessary with respect to the staff requirements referred to in this paper. In the aggregate, ten new professional posts and twenty general service posts are being requested for the 1969 programme. The apparent disproportion between the number of professional posts and the number of general service posts requested is explained by the fact that a large part of the general service staff consists of research assistants and other non-secretarial personnel. Furthermore, the secretarial staff also needs strengthening as it has to service not only the professional staff on the regular establishment of the Centre but also the professionals on secondment to the Centre who constitute about half of the Centre's total professional staff.

Annex

UNILATERAL CONTRIBUTIONS

Unilateral, national contributions constitute a large and essential part of the Centre's total resources in men and money.

Unilateral contributions through 1968:

A. To Centre

Staff Personnel for Market Research or Publications

The secondment of pre-paid professional staff for work with the Centre, usually for a year, by Austria, Denmark, France, Italy, Ireland, Norway (2), Sweden (2), Switzerland, and the United States.

Trade Promotion Advisors

The secondment of Trade Promotion Advisors for overseas missions by Australia, Belgium, France, the Netherlands, and Sweden, including payment by their governments of their salaries; and maintenance and/or transport.

Training

The entire financing of a three-month Centre-based training course by the Swedish Dag Hammarskjöld Foundation in 1967 and again for 1968.

The repeated loan by Canada and Australia of their Trade Commissioners as lecturers in the Centre's house course for Trade Commissioners.

B. Extra Centre

Full-time Liaison Offices

In France, the Netherlands and the United Kingdom, the offices of the Centre's National Liaison Agencies, service the Centre's work projects for developing countries on a full-time basis.

Training and Publications

The provision of Training Courses and/or in-service training in their territory, varying from one to twelve months, by Australia, France, Ireland, Italy, Japan, New Zealand, Norway, and the United Kingdom;

of special individual training fellowships by Belgium, Finland, the Netherlands, and Norway;

of finance and organization for Export Promotion Seminars in collaboration with the Centre by Denmark and Germany;

the reception of Group Trade Study Tours, including payment of internal travel and maintenance by Australia, Belgium, Canada, Denmark, the Federal Republic of Germany, Israel, Italy, Japan, the Netherlands, Norway, Sweden and Switzerland; with inter-country travel and maintenance paid by the Organization of American States;

the programming of Trade Study Tours and of in-service training for individuals by Belgium, the Federal Republic of Germany, Italy, the Netherlands and Switzerland;

the preparation and distribution of important trade promotion publications at the request of the Centre by Canada, Sweden and Switzerland.